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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 003707

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SUBJECT: TAIWAN OPTIMISTIC ON RELATIONS WITH JAPAN

REF: A. 05 TAIPEI 4550

[1](#)B. TAIPEI 2747

Classified By: AIT Director Stephen M. Young, Reason 1.4 (b/d)

[1](#)1. (C) Summary: Shinzo Abe's election as Japanese Prime Minister in late September is widely viewed within Taiwan academic and foreign policy circles as an opportunity for Taipei to further improve its already strong working relationship with Japan. While hoping to expand economic and cultural ties, President Chen's administration would also like to enhance political and security relations with Tokyo. Japan remains, however, reluctant to change the existing framework of its unofficial ties with Taiwan and is low-key about the increasing level of exchanges in both directions. End Summary.

Overview of Taiwan Japan-Relations

[1](#)2. (C) Relations between Taiwan and Japan have improved significantly in recent years, especially since President Chen Shui-bian took office in 2000, according to James Liao of the Foreign Ministry's Association of East Asian Relations (AEAR), Taiwan's quasi-official body overseeing relations with Japan. This is due in large part to growing concerns within the ruling Democratic Progressive Party (DPP) and in Japan over the PRC's increasing regional clout. The extensive Japan-related experience of several old-guard DPP leaders and the largely pro-Japan view held by many ruling party members have also converged with the rise of a new generation of conservative Japanese politicians to create a more cooperative atmosphere between Taipei and Tokyo.

Abe's Election, Taipei's Opportunity

[1](#)3. (C) Within this context, Shinzo Abe's election as the new Japanese prime minister in late September is widely viewed within Taiwan academic and foreign policy circles as an opportunity for Taipei to continue building on the already strong working relationship with Japan, especially on economic and cultural issues. Immediately after Abe's selection as head of the LDP, Taiwan MOFA officials underscored the "good interactions" between Taipei and Tokyo over the past six years and expressed hope that relations

will further develop under Abe's administration. Foreign Minister James Huang (Chih-fang) told AIT on October 12 that Taiwan expects the new Abe government to be "very friendly, and added that the Chen administration hopes to continue enhancing the relationship in a "pragmatic and low-key manner."

Limited Concern over Abe's Overtures to Beijing

¶4. (C) MOFA officials do not appear to be overly concerned that Abe's efforts to improve ties with the PRC will have a negative impact on Taipei's relationship with Tokyo. Foreign Minister Huang, rather, praised Abe's recent trip to Beijing and Seoul, saying that improved Sino-Japanese relations are a key to preserving stability in the East Asia region. MOFA's James Liao suggested that Taiwan is confident that a stable relationship between Tokyo and Beijing will allow Taipei to continue to improve the level and quality of Taipei's interactions with Tokyo.

Diplomatic "Successes" and Growing Exchanges

¶5. (C) Taiwan has scored several notable achievements in improving its informal working relationship with Japan. FM Huang highlighted, for example, Japan's support for Taiwan WHO observership and the visa-waiver program for tourists as two recent "successes." NSC advisor on Japanese affairs Lin Cheng-wei told AIT that Taiwan continues to work closely with Tokyo on several other initiatives. In particular, Lin pointed to efforts to promote exchanges on environmental protection and environment-friendly technology issues. MOFA Pacific Islands Section Chief Wang Chiang told AIT that

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Japan's willingness to brief the Taipei representative in Tokyo on the Japan-South Pacific summit earlier this year was another example of stepped-up cooperation.

¶6. (C) Exchanges between Taiwan and Japan, both government-to-government and people-to-people, are growing more robust. According to MOFA's James Liao, approximately 200-300 Japanese delegations from parliament, provincial and lower-level governments, and non-government organizations visited Taiwan last year. Over 400 similar delegations from Taiwan visited Japan. He noted the large volume of traffic is stretching his office's resources. While Japanese government official visitors to Taipei generally remain at the deputy-director level and below, Taiwan officials up to the ministerial level frequently travel to Japan. Liao explained that the visit of Japanese Vice Minister of Agriculture Miyakoshi Mitsuhiro to Taiwan in August was an exception rather than a breakthrough.

¶7. (C) According to Liao, while Japan enjoys its strongest governmental relationship with the U.S., its closest people-to-people relationship is with nearby Taiwan. The number of tourist and private travelers between Taiwan and Japan has grown over the past few years to surpass 1 million in both directions. Japan is the top destination for Taiwan tourists, and Taiwan is the number two destination (after ROK) for Japanese tourists. The SARS outbreak in 2003 and anti-Japanese riots in 2005, explained Liao, prompted many Japanese tourists to cancel trips to China and visit Taiwan instead, enhancing Taiwan's image and boosting tourism growth. The Japanese are more knowledgeable about Taiwan than in the past because of expanded news coverage following the establishment in recent years of several Japanese media offices in Taipei.

Limited Defense Exchanges

¶8. (C) While hoping to continue expanding economic and cultural ties, the Chen administration has expressed interest

in enhancing security and defense cooperation with Tokyo. In numerous meetings with AIT officers and with official and unofficial visitors from the U.S., Taiwan authorities have raised the issue of enhancing trilateral cooperation among Taiwan, Japan and the U.S., often referring to the October 2005 U.S.-Japan "Two-plus-Two" talks (ref A). In a television interview on September 10, President Chen stressed that Taiwan-Japan relations were the "best in three decades" and reiterated his desire to forge a "military partnership" with Japan to preserve peace across the Taiwan strait. Ruling DPP officials on October 12 used the North Korean nuclear test announcement as another opportunity to reiterate Taipei's willingness to intensify cooperation with the US-Japan Security Alliance. In an October 30 video conference with Japanese lawmakers, scholars, and journalists, President Chen called for a Japan-Taiwan security dialogue and a U.S.-Japan-Taiwan trilateral dialogue.

¶9. (C) According to the Japan Interchange Association's (JIA) General Affairs Director Takagaki Ryoji, despite enjoying good relations with Taiwan, Japan prefers to keep bilateral defense ties on an informal basis. MOFA's Liao told AIT that Taiwan has one active-duty military liaison officer in Tokyo while Japan has one retired military officer serving in Taipei. Although Taiwan would like to increase the level of representation and mil-to-mil exchanges, he acknowledged that, prospects currently remain slim because of Japanese caution.

Taiwan's Long-term Interest in Enhancing Ties

¶10. (C) Characterizing the current "unofficialness" of Japan-Taiwan relations as a couple living together out of wedlock. MOFA's Liao told AIT that for many years Taiwan has urged Japan to enact a law similar to the Taiwan Relations Act (TRA). It also hopes Japan will eventually agree to allow transit stops by Taiwan leaders as the U.S. does. At present, he said, Taiwan will not push such issues because it

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does not want to cause trouble for Abe. Nonetheless, in his October 30 video conference with Japanese legislators, scholars, and journalists, President Chen urged support for a Japanese version TRA and also expressed hope for investment guarantee and economic partnership agreements leading eventually to an FTA between Taiwan and Japan.

Wrinkles in the Relationship

¶11. (C) Fishing disputes in the overlapping Exclusive Economic Zone (EEZ) claim between Taiwan and Japan are the only real point of contention in Taiwan-Japan relations, MOFA's Liao told AIT. Taiwan's proximity to the Ryukyu (Okinawa) islands means that fishermen operating out of Ilan County in northeast Taiwan find themselves in the Japanese-claimed EEZ just a few kilometers off the Taiwan coast. Ongoing talks on the maritime border, now in their 15th round, have failed to reach a compromise. The recent visit of Vice Minister Miyakoshi was an attempt to break the deadlock but produced no results, said Liao. The Chen administration, continued Liao, feels it has been flexible enough in the negotiations and has even risked alienating Ilan voters, a traditionally strong base for the DPP, by strictly policing Taiwan fishermen. In June 2005, local Ilan opposition politicians were able to mobilize large demonstrations of Ilan fisherman to protest Japanese treatment of, and Taiwan lack of support for, Ilan fisherman in the disputed area.

¶12. (C) Although Taipei and Tokyo's competing claims over the Diaoyutai (Senkaku) islands--also claimed by Beijing--is another area of contention, Liao said the Chen administration has minimized friction by emphasizing the need to resolve the

issue calmly and peacefully. Those in Taiwan most interested in Diaoyutai activism are Deep Blue local politicians, who like to raise the issue to attract media attention especially during election campaigns. No administration in Taipei, even one as pro-Japan as the DPP, could afford to give up Taiwan's claim to the Diaoyutai, asserted Liao.

Comment

¶13. (C) With Abe as Prime Minister, Taiwan foreign policy circles expect Taiwan-Japan relations to continue moving on the positive trajectory built up over the past six years. Taiwan has worked to minimize friction in the relationship and has not aggressively pushed claims to disputed territories. While officials in Taipei will probably persevere in efforts to enhance the level and formality of its relationship with Tokyo, they do not seem to expect any near-term breakthroughs. After the United States, Japan is Taiwan's most important partner, and the DPP government will continue to assiduously promote this relationship, in part as a counterweight to its more difficult and complicated relationship with the PRC. The opposition KMT's views toward Japan are colored by China's WW II experience and its interests in developing relations with the PRC. Japanese officials have expressed uncertainty, even puzzlement, over the less-than-friendly attitude of KMT Chairman Ma Ying-jeou toward Japan, which Ma sought to defuse, with only mixed success, by his March visit to Japan and meetings with Japanese media. If the KMT returns to power in 2008, it would likely end up continuing policies toward Japan basically similar to those of the DPP government, though without the same warmth, enthusiasm, and mutual trust.

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